



BILLING CODE 3510-DS-P

## **DEPARTMENT OF COMMERCE**

### **Foreign-Trade Zones Board**

**[B-28-2019]**

#### **Foreign-Trade Zone (FTZ) 38 – Spartanburg County, South Carolina; Notification of Proposed Production Activity; Michelin North America, Inc.**

**(Tire Assemblies, Wheel Assemblies, Tire Pressure Monitor Systems), Woodruff and Laurens, South Carolina**

Michelin North America, Inc. (MNAI) submitted a notification of proposed production activity to the FTZ Board for its facilities in Woodruff and Laurens, South Carolina. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on April 8, 2019.

MNAI already has authority to produce certain wheel assemblies (duty rate – 2.5%) within Subzone 38L and Site 5 of FTZ 38. The current request would add finished products and foreign-status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt MNAI from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below and in the existing scope of authority, MNAI would be able to choose the duty rates during

customs entry procedures that apply to: rubber tire assemblies for motor cars; rubber tire assemblies for buses and trucks; rubber tire assemblies for aircraft; rubber tire assemblies for motorcycles; rubber tires assemblies for bicycles; rubber tire assemblies for agricultural or forestry vehicles and machines; rubber tire assemblies for construction, mining or industrial handling vehicles; rubber tire assemblies for all-terrain vehicles, golf carts, trailers, lawn and garden equipment, and tactical vehicles; airless skid steer loader tire assemblies; airless mower tire assemblies; wheel assemblies for tram and rail vehicles; airless golf cart tire assemblies; wheel assemblies for aircraft; and, tire pressure monitor systems (duty rates range from duty free to 4%). MNAI would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: rubber aircraft tires; rubber motorcycle tires; rubber bicycle tires; rubber tires for mining equipment; rubber tires for all-terrain vehicles, golf carts, trailers, lawn and garden equipment, and tactical vehicles; rubber tire tubes; airless skid steer loader tires; hub adapter kits for skid steer loaders; airless mower tires; hub adapter kits for mowers; antennas; airless golf cart tires; hub adapter kits for golf carts; aircraft wheels; and, tire pressure monitor systems (duty rate ranges from duty free to 4%). The request indicates that mining equipment tires are subject to an antidumping/countervailing duty (AD/CVD) order if imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs

territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The request also indicates that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Diane Finver at [Diane.Finver@trade.gov](mailto:Diane.Finver@trade.gov) or (202) 482-1367.

Dated: April 26, 2019.

**Andrew McGilvray,**  
*Executive Secretary.*

[FR Doc. 2019-09069 Filed: 5/2/2019 8:45 am; Publication Date: 5/3/2019]